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OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



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Comptroller

Internal Audit Section

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January 26, 2007

Zach Wilson, Executive Director
Grand Oak Hill Community Corp.
4168 Juniata Ave.
St. Louis, MO 63116

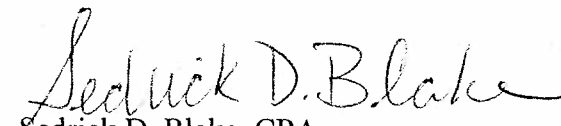
RE: Fiscal Monitoring Report of Grand Oak Hill Housing Program
(Project #2007-CDA16)

Dear Mr. Wilson:

Enclosed is a report of our fiscal monitoring review of Grand Oak Hill Housing Program (Contract #06-36-33) for the period January 1, 2006 through October 31, 2006. The scope of a fiscal monitoring review is substantially less than an audit, and as such, we do not express an opinion on the financial operations of Grand Oak Hill. Our fieldwork was completed on December 20, 2006.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised and through an agreement with the Community Development Administration (CDA) to provide fiscal monitoring to all grant sub recipients. If you have any questions, please contact Charles Schroeder at 589-6089.

Sincerely,


Sedrick D. Blake, CPA
Audit/Fiscal Executive

Enclosure

cc: Jill Claybour, Acting Executive Director, Community Development Administration
Lorna Alexander, Fiscal Coordinator, Community Development Administration



CITY OF ST. LOUIS

**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

**GRAND OAK HILL HOUSING PROGRAM
CONTRACT #06-36-33**

FISCAL MONITORING REVIEW

JANUARY 1, 20065 THROUGH OCTOBER 31, 2006

PROJECT #2007-CDA16

DATE ISSUED: JANUARY 26, 2007

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
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**CITY OF ST. LOUIS
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INTRODUCTION

Background

Contract Name: Grand Oak Hill Housing Program

Contract Number: 06-36-33

Contract Period: January 1, 2006 through December 31, 2006

Contract Amount: \$305,000 (Budget revision)

Contract #06-36-33 (Document #52594) provided Community Development Block Grant (CDBG) funds to Grand Oak Hill Housing Program to bring sustained improvement to provide a source of funding for forgivable home repair loans to low and moderate income homeowners. In addition, the Agency is to develop and maintain a contractor's list which will be made available to neighborhood residents to assist homeowners in selecting contractors for repair projects.

Purpose

The purpose of our review was to determine Grand Oak Hill Housing Program's compliance with federal, state and local CDBG requirements for the periods January 1, 2006 through October 31, 2006 and make recommendations for improvements.

Scope and Methodology

We made inquiries regarding Grand Oak Hill's internal controls relating to the grant administered by the Community Development Administration (CDA), tested evidence supporting the reports the Agency submitted to CDA and performed other procedures considered necessary. Our fieldwork was completed on December 20, 2006.

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CONCLUSION AND SUMMARY OF CURRENT OBSERVATIONS

Conclusion

We found no evidence to suggest that Grand Oak Hill Housing Program did not fully comply with federal, state and local CDBG requirements.

Status of Prior Observations

This is a new contract with CDA and Internal Audit's first monitoring review of Grand Oak Hill Housing Program; therefore, there were no prior observations pertaining to contract #06-36-33.

A-133 Status

Grand Oak Hill is not required to have an A-133 for the year ending December 31, 2005. The Agency has communicated to IAS through a letter dated November 27, 2006 that the Agency did not expend \$500,000 or more in federal funds for calendar year 2005 and was advised by the Agency's auditors that an A-133 audit was not required.

Summary of Current Observations

We found no observations during our review.